



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
HEADQUARTERS 13TH FINANCE GROUP
BLDG 16007 OLD IRONSIDES AVE
FORT HOOD, TX 76544-5056



AFVX-CFG-CDR

4 August 2005

MEMORANDUM FOR All Soldiers, 13th Finance Group

SUBJECT: Standing Operating Procedures (SOP) - Eligibility for Advance Payment –
Permanent Change of Station (PCS) Moves

1. References:

- a. Department of Defense Financial Management Regulation (DODFMR) Volume 7A, Military Pay Policy and Procedures Active Duty and Reserve Pay, dated February 1999.
- b. Army Regulation 37-104-4, Military Pay and Allowances Policy and Procedures-Active Component dated 8 June 2005.
- c. Department of Defense Form 2560, Advance Pay Certification Authorization dated March 1990.

2. Purpose: The purpose of this SOP is to clarify the eligibility criteria for advance payments made by 13th Finance Group.

3. Background:

a. Advance payments are available to Soldiers for the purpose of satisfying a government ordered relocation. It is intended to assist with out-of-pocket expenses that exceed or precede reimbursements incurred in a duty location change, and are expenses not typical of day-to-day military living. Advance payments may also be appropriate in situations dealing with evacuation of dependents or mobilization of reserve component forces.

b. There is a misconception that advance payments are automatic. Some Soldiers believe advance pays can be used to offset expenses associated with visiting loved ones before Soldiers report to their new duty station or for anything that may arise during the relocation process. Unit commanders will recommend approval requests for advance of pay for enlisted Soldiers in the rank of PVT through SPC. SGT and above do not require the unit commander's approval.

4. Discussion:

a. Unit commanders must take a proactive approach towards advance payments because the inappropriate use of an advance payment can have a detrimental impact on a Soldier's monthly pay during the repayment period. The use of other available relocation resources more befitting

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the actual or anticipated expense may be best as these alternate resources normally have little or no impact on the Soldier's regular monthly pay.

b. The various types of advances available to a Soldier are: Advance of Pay and Allowances, Advance of Basic Allowance for Subsistence, Advance Pay Upon Evacuation of Members or Dependents, Advance of Allotment(s), Advance Pay for Members of the Armed Forces Health Professions Scholarship Program on Active Duty and an Advance of Housing Allowances. An advance payment will not be authorized for specific out-of-pocket expenses that are covered by other types of advances such as, but not limited to: Travel Allowances and PerDiem, Advance Station Housing Allowance, and Dislocation Allowance.

c. A Soldier in receipt of PCS orders or other relocation orders do not necessarily require an advance of pay. The Soldier must justify that the advance is required to meet a valid expense that could not be met with another type of pay entitlement. The justification process starts with the initiation of an Advance Pay Certification/Authorization (DD Form 2560). The reason for the advance is certified on this form. The actual or anticipated expenses the individual is incurring should substantiate this reason. The certification of expenses, actual or anticipated, enables the NCOIC In/Out Processing to properly evaluate each case based on its own situation. In situations where the advance is disapproved, Finance will properly advise the Soldier on alternate pay entitlements more appropriate to meet the Soldier's financial needs.

d. Soldiers without dependents are authorized to receive an advance payment, however, they generally have difficulty establishing qualified expenses to justify an advance pay because they normally do not have the same financial obligations as Soldiers with dependents. Finance and Accounting Officer (FAO) is the final approval authority for all advance payments and must ensure the provisions of law are strictly observed. Finance will help determine the best form of financial assistance available to meet the Soldier's relocation needs with the least financial impact.

e. A Soldier may be paid an advance of one month's basic pay less deductions no earlier than 30 days prior to departure at the old duty station, enroute, and/or within 60 days after arrival at their new duty station. If the Soldier requests to receive an advance of pay outside the 30 or 60-day window, they must provide written justification indicating their specific circumstances. The request for exception requires written approval from the Soldier's unit commander.

5. Procedure Clarification:

a. The following situations do not justify an advance payment. These are some of the more common situations which have created customer misconceptions on how we evaluate advance pay eligibility and legitimate expenses:

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- To pay deposit waivers
- Sponsor's PCS on unaccompanied tour, family remains in place (verify extenuating circumstances)
- Home purchase/improvement expenses
- Vehicle purchase/improvement expenses/standard vehicle maintenance (i.e. purchase of new tires, brakes)/vehicle damage not covered under insurance

b. The items below indicate situations that normally justify an advance payment:


- Deferred travel for family members that must relocate until travel overseas
- PCS to duty location where there is no military base close by
- Household item storage not covered by the government (i.e. excess weight)
- Home repairs required to terminate a lease
- Vehicle storage (i.e. when going overseas and storage is not authorized)
- Initial CONUS household set-up
- Unexpected vehicle repairs

c. Soldiers can be asked to provide additional documentation necessary to further justify their situation/request (such as estimates, invoices, etc.). A finance representative will explain what additional documentation is required if necessary. Each request should have a specific, itemized dollar amount requested. Advance payments are not provided for the purpose of having additional spending money in a Soldier's pocket during a PCS move. They must incorporate their leave plans into their family budget.

d. The Army is not in the business of granting interest free loans but has established procedures to take care of Soldiers with bonafide reasons. The above situations are just a few of the most common situations that are addressed daily. These situations were highlighted to help educate our customers on the eligibility requirements for advance payments and help eliminate the misconceptions associated with this entitlement.

6. POC for this SOP is Chief, Finance Operations, 287-6773.

“PHANTOM PAYMASTERS!!”



STEPHEN J. RIVIERE
COL, FC
Commanding